

SIDLEY AUSTIN LLP
Michael P. Morrissey, Esq.
Richard S. Fries, Esq.
Todd B. Marcus, Esq.
787 Seventh Avenue
New York, New York 10019
Tel: 212-839-5600
Fax: 212-839-5599
mmorrissey@sidley.com
Attorneys for Citibank, N.A.

**UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY**

UNITED STATES OF AMERICA,

Plaintiff,

v.

THE REAL PROPERTIES LOCATED AT:

**164 CHESTNUT STREET,
ENGLEWOOD CLIFFS, NEW JERSEY;**

**5506 INSPIRATION TERRACE,
BRADENTON, FLORIDA;**

**465 BRICKELL AVE., UNIT 4002,
MIAMI, FLORIDA;**

**465 BRICKELL AVENUE, UNIT 4001,
MIAMI, FLORIDA; AND**

**1740 TAYLOR AVENUE,
BRONX, NEW YORK; AND**

**ONE 2009 BENTLEY CONTINENTAL FLYING
SPUR SEDAN, VEHICLE IDENTIFICATION
NUMBER SCBBP93W39C061317,**

Defendants in rem.

Honorable Kevin McNulty

Civil Action No. 14-7936

**CITIBANK N.A.'s VERIFIED
CLAIM OF INTEREST IN:**

**164 CHESTNUT STREET,
ENGLEWOOD CLIFFS,
NEW JERSEY; AND**

**1740 TAYLOR AVENUE,
BRONX, NEW YORK**

Citibank, N.A. ("Citibank"), by and through its attorneys, Sidley Austin LLP, files and submits this Verified Claim of Interest pursuant to Rule G(5) of the Supplemental Rules for

Admiralty or Maritime Claims and Asset Forfeiture Actions of the Federal Rules of Civil Procedure, asserting an interest in, and claim to, the real property located at 164 Chestnut Street, Englewood Cliffs, New Jersey (the “NJ Property”), and 1740 Taylor Avenue, Bronx, New York (the “NY Property”), and hereby contests forfeiture of those properties.

In support of this Verified Claim of Interest, and as grounds for the relief requested herein, Citibank states:

BACKGROUND

1. Citibank is and, at all relevant times hereinafter mentioned, was a national banking association engaged in the business of conducting general banking activities including, but not limited to, commercial and real estate lending services, and is authorized to do business in the states of, *inter alia*, New Jersey and New York. Citibank has a principal office located in New York City, New York.

A. The New Jersey Property

2. On or about November 15, 2011, Keila Ravelo (“Ravelo”) borrowed from Citibank the principal sum of \$2,330,000 to refinance the existing mortgage loan on the New Jersey Property. As evidence of this indebtedness, Ravelo executed and delivered to Citibank an Interest-Only Period Adjustable Rate Note dated November 15, 2011 (the “NJ Note”), pursuant to which Ravelo was bound and promised to pay to Citibank said sum, with interest thereon at the interest rate provided therein. A copy of the NJ Note is annexed hereto as Exhibit A.

3. As collateral security for the repayment of the indebtedness represented by the NJ Note, Ravelo and her husband, Melvin Feliz (“Feliz”), simultaneously therewith (on November 15, 2011), executed, acknowledged, and delivered to Citibank a Mortgage (the “NJ Mortgage”) by which Ravelo and Feliz granted to Citibank a first mortgage lien on the NJ Property, Ravelo and Feliz then being the owners of the NJ Property. The NJ Mortgage was duly recorded on

January 11, 2012 in the Office of the Bergen County Clerk in Book 00928, Pages 2056-2071. A copy of the NJ Mortgage is annexed hereto as Exhibit B.

4. By Loan Modification Agreement dated May 24, 2013, by and between Citibank and Ravelo, and executed by Ravelo on June 10, 2013 (the "NJ Modification Agreement"), and Ravelo agreed to a modification of the terms of the NJ Note. A copy of the NJ Modification Agreement is annexed hereto as Exhibit C.

5. The NJ Note, the NJ Mortgage, and the NJ Modification Agreement (collectively, the "NJ Loan Documents") provide, *inter alia*, that Ravelo and Feliz shall pay to Citibank all costs and expenses, including reasonable attorneys' fees, incurred by Citibank in enforcing the NJ Loan Documents and protecting Citibank's interest in the NJ Property. Such costs and expenses are part of the indebtedness due to Citibank under the NJ Loan Documents, bear interest at the interest rate provided therein, and are secured by the NJ Mortgage.

6. As of the date of this Verified Claim (January 28, 2015), there is due and owing to Citibank under the NJ Loan Documents the principal sum of \$2,330,000, accrued and unpaid interest thereon in the sum of \$9,788.80, which interest continues to accrue at the rate of \$167.5685 per diem from and after the date hereof, in addition to real estate tax escrows (in the sum of \$3,786.57 as of the date hereof) costs, fees and expenses (including attorneys' fees), and all other indebtedness due under the NJ Loan Documents (collectively, the "NJ Indebtedness").

7. Pursuant to the terms of the NJ Loan Documents, Citibank, as the holder of a duly perfected first mortgage lien on the NJ Property, is entitled to be paid the NJ Indebtedness from the first proceeds of any sale or disposition of the NJ Property that is the subject of this forfeiture action. Upon such payment in full, Citibank shall release the NJ Mortgage from the NJ Property.

B. The New York Property

8. On or about February 14, 2012, Ravelo borrowed from Citibank the principal sum of \$242,250 to refinance the loan on the NY Premises. To evidence this indebtedness, Ravelo executed and delivered to Citibank an Interest-Only Period Adjustable Rate Note dated February 14, 2012 (the "NY Note"), pursuant to which Ravelo was bound and promised to pay to Citibank said sum, with interest thereon at the interest rate provided therein. A copy of the NY Note is annexed hereto as Exhibit D.

9. As collateral security for the repayment of the indebtedness represented by the NY Note, Ravelo and Feliz, simultaneously therewith (on February 14, 2012), executed, acknowledged, and delivered to Citibank a Consolidation, Extension and Modification Agreement dated February 14, 2012 (the "NY Consolidated Mortgage") pursuant to which the following notes and mortgages on the NY Property were consolidated, extended, and modified:

(a) Mortgage dated April 25, 1994, given by Ravelo to Arbor National Mortgage, Inc., securing the original principal sum of \$175,000, recorded July 12, 1994, in the Office of the New York City Register, Bronx County, in Liber 1244, Page 167, as assigned to Bank of America, FSB, by Assignment dated July 16, 1995, and recorded on January 9, 1997, in the Office of the New York City Register, Bronx County, in Liber 1440, Page 1031, as further assigned to Citibank by Assignment dated January 26, 2012, and recorded on March 27, 2012, in the Office of the New York City Register, Bronx County, as CRFN2012000120703. When consolidated, the unpaid principal balance of the indebtedness secured by this mortgage was \$109,215.09.

(b) Mortgage dated November 19, 2010, given by Feliz to Citibank, securing the original principal sum of \$117,250, recorded on December 1, 2010, in the Office of the New York City Register, Bronx County, as CRFN2010000403249. When

consolidated, the unpaid principal balance of the indebtedness secured by this mortgage was \$117,250.63.

(c) Mortgage dated February 14, 2012, given by Feliz to Citibank, securing the original principal sum of \$15,784.91, as evidenced by a Note dated February 14, 2012, made by Feliz to Citibank, which mortgage was recorded on March 27, 2012, in the Office of the New York City Register, Bronx County, as CRFN2012000120704.

The NY Consolidated Mortgage was recorded on March 27, 2012, in the Office of the New York City Register, Bronx County, as CRFN2012000120705. A copy of the NY Consolidated Mortgage is annexed hereto as Exhibit E.

10. The NY Note and the NY Consolidated Mortgage (collectively, the “NY Loan Documents”) provide, *inter alia*, that Ravelo and Feliz shall pay to Citibank all costs and expenses, including reasonable attorneys’ fees, incurred by Citibank in enforcing the NY Loan Documents and protecting Citibank’s interest in the NY Property. Such costs and expenses are part of the indebtedness due to Citibank under the NY Loan Documents, bear interest at the interest rate provided therein, and are secured by the NY Mortgage.

11. As of the date of this Verified Claim (January 28, 2015), there is due and owing to Citibank under the NY Loan Documents the principal sum of \$241,974.21, accrued and unpaid interest thereon in the sum of \$1,452.26, which interest continues to accrue at the rate of \$24.8604 per diem from and after the date hereof, in addition to costs and expenses (including attorneys’ fees), and all other indebtedness due under the NY Loan Documents (collectively, the “NY Indebtedness”).

12. Pursuant to the terms of the NY Loan Documents, Citibank, as the holder of a duly perfected first mortgage lien on the NY Property, is entitled to be paid the NY Indebtedness from the first proceeds of any sale or disposition of the NY Property that is the subject of this

forfeiture action. Upon such payment in full, Citibank shall release the NY Mortgage from the NY Property.

WHEREFORE, Citibank:

A. objects to the forfeiture of the real property located at 164 Chestnut Street, Englewood Cliffs, New Jersey (i.e., the NJ Property), and/or requests the Court to direct that all indebtedness due to Citibank under the NJ Loan Documents be paid in full prior to any forfeiture of the NJ Property or from the proceeds of any sale ordered by the Court prior to the distribution to any other party of any such proceeds, or any portion thereof, along with such other and further relief as is just and proper; and

B. objects to the forfeiture of the real property located at 1740 Taylor Avenue, Bronx, New York (i.e., the NY Property), and/or requests the Court to direct that all indebtedness due to Citibank under the NY Loan Documents be paid in full prior to any forfeiture of the NY Property or from the proceeds of any sale ordered by the Court prior to the distribution to any other party of any such proceeds, or any portion thereof, along with such other and further relief as is just and proper.

Dated: New York, New York
January 28, 2015

SIDLEY AUSTIN LLP

By: 

Michael P. Morrissey
Richard S. Fries
Todd B. Marcus

787 Seventh Avenue
New York, New York 10019
Tel: 212-839-5600
Fax: 212-839-5599
mmorrissey@sidley.com
Attorneys for Citibank, N.A.

TO: Assistant United States Attorney Marion Percell
United States Attorney's Office
District of New Jersey
970 Broad Street, 7th Floor
Newark, NJ 07102

VERIFICATION OF CLAIM

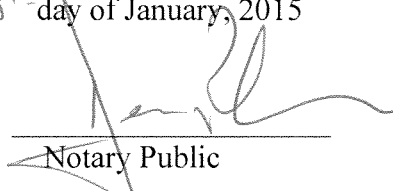
STATE OF NEW YORK)
) ss.:
COUNTY OF NEW YORK)

GIACOMO PROVENZANO, being duly sworn, deposes and says:

I am a Director of Citibank, N.A., a national banking association, claimant in this action, and I am authorized to make this Verification for and on behalf of Citibank. I have read the foregoing Verified Claim of Interest and know the contents thereof, and the same is true to my own knowledge, except as to those matters alleged upon information and belief and, as to those matters, I believe them to be true. I make this verification because Citibank is a national banking association and I am an officer thereof. The grounds and basis for my knowledge and belief are Citibank's books and records.



GIACOMO PROVENZANO

Sworn to before me this
28th day of January, 2015


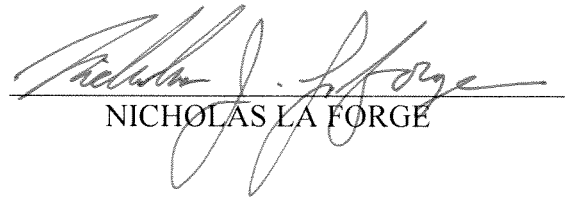
Notary Public

DARREN RUBEN
Notary Public, State of New York
No. 01RU5065889
Qualified in Nassau County
Commission Expires 9/16/2018

CERTIFICATE OF SERVICE

Nicholas La Forge, pursuant to 28 U.S.C. 1746, under penalty of perjury, certifies that on the 30th day of January, 2015, I served upon Assistant United States Attorney Marion Percell, the government attorney designated under Rule G(4)(a)(ii)(C) of the Supplemental Rules for Admiralty or Maritime Claims and Asset Forfeiture Actions of the Federal Rules of Civil Procedure, the attached Citibank N.A.'s Verified Claim of Interest, by overnight delivery addressed as follows:

Assistant United States Attorney Marion Percell
United States Attorney's Office
District of New Jersey
970 Broad Street, 7th Floor
Newark, NJ 07102


NICHOLAS LA FORGE